

2016 Regular Session

HOUSE BILL NO. 1063

BY REPRESENTATIVE ROBBY CARTER

INSURANCE/LIABILITY: Provides that certain fees assessed by the office of motor vehicles for failure to maintain automobile liability insurance become final delinquent debt sixty days after receipt of notice by the owner

1 AN ACT

2 To amend and reenact R.S. 32:863(A)(3)(a) and (B)(introductory paragraph) and
3 863.1(C)(1)(b), relative to automobile liability insurance; to provide with respect to
4 the fees assessed for failure to maintain automobile liability insurance; to provide for
5 the fees assessed for failure to provide proof of liability insurance; to limit the total
6 amount of fees that may be assessed; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 32:863(A)(3)(a) and (B)(introductory paragraph) and 863.1(C)(1)(b)
9 are hereby amended and reenacted to read as follows:

10 §863. Sanctions for false declaration; reinstatement fees; revocation of registration;
11 review

12 A.

13 * * *

14 (3)(a) Sanctions for a violation of Paragraph (1) of this Subsection shall be
15 imposed until proof of required liability security is provided to the secretary and all
16 reinstatement fees are paid. Sanctions for a violation of Paragraph (2) of this
17 Subsection shall be imposed for a period of not less than twelve months nor more
18 than eighteen months. However, in no event shall these sanctions be removed until
19 such time as proof of the required security is provided to the secretary along with all

1 appropriate fees required by law, including a reinstatement fee of one hundred
2 dollars per violation of Paragraph (1) of this Subsection if the vehicle was not
3 covered by the required security for a period of one to thirty days, two hundred fifty
4 dollars if the vehicle was not covered by required security for a period of thirty-one
5 to ninety days, and five hundred dollars if the vehicle was not covered by required
6 security for a period in excess of ninety days. No reinstatement fee shall be imposed
7 by the secretary if the vehicle was not covered by required security for a period of
8 ten days or less and the insured surrenders the vehicle's license plate to the secretary
9 within ten days. The reinstatement fees for violations of Paragraph (2) of this
10 Subsection shall be as follows: two hundred fifty dollars for a first violation, five
11 hundred dollars for a second violation, and one thousand dollars for a third or
12 subsequent violation. The reinstatement fee shall not be owed for an alleged
13 violation of Paragraph (2) of this Subsection when proof of the required security is
14 provided to the secretary within sixty days of the date of the receipt of the notice. If
15 at the time of reinstatement, a person has multiple violations and is within sixty days
16 of the receipt of the notice, the total amount of fees to be paid shall not exceed eight
17 hundred fifty dollars, for violations of Paragraph (1) of this Subsection, one thousand
18 seventy-five dollars for violations of Paragraph (2) of this Subsection. At no time
19 shall the total amount of fees, including administrative fees, exceed two hundred
20 fifty dollars for persons sixty-five years or older. After sixty days of the date of the
21 receipt of the notice, all fees shall be considered final delinquent debt and therefore
22 owed, and the eight hundred fifty dollar limit for persons under sixty-five years shall
23 no longer apply.

24 * * *

25 B. The sanctions of Paragraph (A)(1) of this Section shall not be imposed,
26 and any fine, fee, or other monetary sanction which has been remitted to the
27 secretary pursuant to the sanctions of this Section, specifically including any
28 reinstatement fee paid pursuant to Paragraph (A)(3) of this Section and any fee paid
29 pursuant to Paragraph (D)(5) of this Section, shall be promptly refunded by the

1 secretary to the person who paid it, if the owner or lessee furnishes any of the
2 following within sixty days of the receipt of the notice:

3 * * *

4 §863.1. Evidence of compulsory motor vehicle liability security contained in
5 vehicle; enforcement; penalty; fees

6 * * *

7 C.(1)

8 * * *

9 (b) The owner of the vehicle shall have three calendar days, excluding
10 Saturdays, Sundays, and legal holidays, from the date that the notice of
11 noncompliance was issued to present to the office of motor vehicles proof of
12 insurance coverage or security in effect at the time of the issuance of the notice of
13 noncompliance. If the vehicle was properly insured at the time the notice was issued,
14 any valid license plate shall be returned within forty-eight hours, exclusive of legal
15 holidays, to the owner of the vehicle at no cost to the owner. However, if, within
16 sixty days from the date the notice of noncompliance is ~~issued~~ received, the owner
17 fails to provide proof of the fact that the vehicle was properly insured at the time the
18 notice of noncompliance was issued, the chief administrative officer of the office of
19 motor vehicles shall destroy, or shall cause to be destroyed, the license plate
20 removed from that owner's vehicle and shall notify the secretary that the owner of
21 the vehicle is not in compliance with the compulsory liability law. Upon receipt of
22 such notification, the secretary shall revoke the registration of such vehicle. Sixty
23 days after the date of ~~issuance~~ receipt of the notice of noncompliance, the fees
24 imposed in this Section shall be owed even if the owner subsequently provides proof
25 the motor vehicle was insured, and all such fees shall be considered final delinquent
26 debt.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 1063 Original

2016 Regular Session

Robby Carter

Abstract: Provides that certain fees imposed upon automobile owners for failure to maintain automobile liability insurance or failure to provide proof of such insurance become final delinquent debt sixty days after receipt of the notice of noncompliance by the owner.

Present law provides that the office of motor vehicles shall assess certain fees upon the owner of an automobile for failure to maintain the minimum limits of liability insurance upon the automobile, or for failure to provide proof of insurance. Proposed law does not change these fees.

Present law provides that the fees become final delinquent debt 60 days after issuance of the notice of noncompliance to the owner. Proposed law changes present law by providing that the fees become final delinquent debt 60 days after receipt of the notice of noncompliance by the owner.

Present law provides for no limit to the reinstatement fees that may be owed as final delinquent debt by persons under 65 years of age. Proposed law restores the \$850 limit to the reinstatement fees that may be owed as final delinquent debt by persons under 65 years of age that existed in law until repealed in the 2015 R.S.

(Amends R.S. 32:863(A)(3)(a) and (B)(intro. para.) and 863.1(C)(1)(b))